

September 9, 2019

#### **VIA ECFS**

Marlene H. Dortch, Secretary Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Room 5-A225 Washington, D.C. 20554

**Attention: Wireline Competition Bureau** 

Re: RAINIER CONNECT NORTH LLC Petition for Designation as a Lifeline

Broadband Provider Pursuant to WC Docket No. 09-197 and WC Docket No. 11-

42; 47 C.F.R. §54.201 and §54.202

Dear Ms. Dortch:

Attached please find RAINIER CONNECT NORTH LLC's ("Company") Petition for Designation as a Lifeline Broadband Provider ("LBP").

The Company meets all of the necessary requirements for the LBP designation requested. Rainier Connect North LLC is ideally positioned to deliver Lifeline supported broadband Internet access services to qualified low-income Americans, including those outside of the urban core, thereby advancing the Commission's goal for making broadband service more affordable and accessible to those who can least afford it. Accordingly, designating Rainier Connect North, LLC as an LBP will serve the public interest.

If there are any questions concerning the foregoing, please contact the undersigned at 360-832-4130. Thank you for your assistance.

Respectfully submitted,

/s/ DANIELLE CLAUSEN

Danielle Clausen Controller Rainier Connect North, LLC

Attachments

cc: Rick Finnigan

### Before the Federal Communications Commission Washington, DC 20554

In the Matter of	)	
	)	
Telecommunications Carriers Eligible for	) WC Docket No. 09-	-197
Universal Service Support	)	
	)	
Lifeline and Link Up Reform and	) WC Docket No. 11-	-42
Modernization	)	
	)	
RAINIER CONNECT NORTH, LCC	)	
	)	
Petition for Designation as a	)	
Lifeline Broadband Provider	)	

# RAINIER CONNECT NORTH LLC'S PEITITION FOR DESIGNATION AS A LIFELINE BROADBAND PROVIDER

#### I. INTRODUCTION

RAINIER CONNECT NORTH LLC ("RCN"), pursuant to Section 214(e)(6) of the Communications Act of 1934, as amended ("Act"), and Section 54.201 and 54.202 of the rules of the Federal Communications Commission ("FCC" or "Commission"), hereby submits this Petition requesting designation as Lifeline Broadband Provider eligible telecommunications carrier ("LBP") in the state of Washington in all areas which Rainier Connect North provides facilities-based data services. Once granted, this LBP designation will expand RCN's ability to offer Lifeline-supported broadband services. RCN seeks LBP designation only for purposes of

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<sup>&</sup>lt;sup>1</sup> See also In the Matter of Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support, Connect America Fund, WC Docket No. 11-42, WC Docket No. 00-197, WC docket No. 10-90, Third Report and Order, and Order on Reconsideration, FCC 16-38 (rel. Apr. 27, 2016) ("Lifeline Modernization Order" or "Third Report and Order").

participation in the Universal Service Fund's ("USF") Lifeline program. RCN does not receive, nor is it requesting, High-Cost support. As more fully described below, RCN satisfies the requirements for designation as an LBP. RCN is ready to launch Lifeline broadband services meeting the Commission's mandatory minimum requirements, including a plan that will not require payments from low income consumers. Grant of RCN's request will promote the public interest by providing low income Americans – particularly those outside of the urban core - with high quality broadband services at discounted Lifeline rates, advancing the Commission's goal of making broadband service more affordable and accessible to those who can least afford it. This Petition is supported by the Affidavit of RCN's President and CEO, attached as Exhibit 1.

#### II. BACKGROUND

#### A. Company Overview

RCN is a Washington Limited Liability Company with principal offices located at 2516 South Holgate Street, Tacoma, Washington 98402. RCN's holding company is MASHEL, INC. RCN has no operating companies or subsidiaries. Mashell, Inc. is a Washington corporation whose roots go back over 100 years. Its principal offices are located at 104 Washington Avenue North, Eatonville, WA 98328. RCN is a sister company to MASHELL TELECOM, INC.<sup>2</sup> an Incumbent Local Exchange Company holding an ETC status.LIke RCN, Mashell Telecom, Inc. is a wholly owned subsidiary of Mashell, Inc.

RCN has been granted an indefeasible right of use ("IRU") for the hybrid fiber-coaxial network assets owned by Tacoma Public Utilities (TPU) and used by Tacoma Click! ("Click!) to provide cable television and broadband data services to residents and businesses ("Network") in

<sup>&</sup>lt;sup>2</sup> Mashell Telecom, Inc. ("MTC") currently holds a state-granted ETC designation for a portion of Washington. MTC has provided Lifeline services in the state of Washington for over 30 years.

the existing Click! service area ("Click! Service Area"). Click! is the business arm of TPU. The Network includes the outside plant assets associated with the Click! network, including fiber optics, coaxial cable, cabinets, splitters, backup powering equipment, and other out-side plant physical assets. RCN has been awarded the right to operate the Network. RCN will operate the Network through an IRU with TPU over a term of twenty years with two ten-year renewals.

As part of this operation RCN has committed to offer a Lifeline broadband service. The primary service package for Lifeline purposes initially will be 30/10 with unlimited usage. RCN has committed to make substantial improvements in the CLICK! Network over the next few years to increase its capacity to a GIG network.

RCN does not conduct credit checks or require customers to enter into long-term service contracts as a prerequisite to obtaining service. RCN allows customers to choose a service plan that best suits their needs. RCN commits that it will not decline service to any customer in good standing and that its services will be available on an equitable basis throughout the Click! Service Area. RCN is dedicated to quality customer service and care. Lifeline customers can reach RCN's Customer Service Department via phone, mail, e-mail, fax or online 24 hours a day. The staff of Mashell Telecom has substantial experience in offering Lifeline services and will be available to RCN to be sure RCN's Lifeline services meet all FCC standards.

RCN will maintain a very rigorous and highly automated process of verifying the identity and eligibility of customers that apply for Lifeline service. RCN does not use any third-party agents to obtain customers. RCN has access to a compliance staff via its sister company, Mashell Telecom, Inc., that will conduct a review of each Lifeline application received. RCN will only provide Lifeline service to a customer's verified residential address.

#### B. RCN's Service Area

RCN requests LBP designation within the current Click! Service Area on the map and zip codes in LBP coverage area attached hereto as Exhibit 2.

#### III. RCN SATISIFIES THE REQUIREMENTS FOR DESIGNATION AS AN LBP

As detailed below, RCN satisfies each of the requirements of Section 214(e)(1) of the Act and Sections 54.20-54.202 of the Commission's rules.

#### A. RCN is a Common Carrier

RCN offers services on a for-hire basis to all persons and businesses within its service area.

#### **B.** RCN Offers the Supported Services

RCN will provide fixed broadband Internet access service as defined by 47 C.F.R. § 54.101(a)(2), of speeds that meet or exceed the standards established by the FCC for its fixed broadband services. RCN does not restrict data usage allowance. As permitted by the *Third Report and Order*, Lifeline-supported broadband services may also be combined with unsupported services, such as voice, but in all cases the service will meet the minimum requirements for Lifeline-supported broadband service.

The voice services that are available are a voice over Internet Protocol (VoIP) service.

The VoIP service will allow unlimited calling throughout the local service area.

#### C. RCN Will Advertise the Supported Services

RCN will advertise the availability and rates for the services described above using media of general distribution as required by 47 C.F.R. § 54.201(d)(2) and in accordance with the requirements set forth in the *Lifeline Reform Order*. As the FCC recently clarified, "media of general distribution' may include web advertisements reasonably calculated to reach the relevant

community, mail, email, or other text-based methods of advertising." RCN's Lifeline advertising materials will comply with Section 54.405(c) of the Commission's rules.

#### D. RCN Will Comply with Applicable Service Requirements

In accordance with 47 C.F.R. § 54.202(a)(1)(i), and by the attached certification (Exhibit 1), RCN certifies that it will comply with the service requirements applicable to the support that it receives, including future additions to or amendments of the Lifeline program rules. RCN's Lifeline supported broadband services will meet the minimum service standards set forth in 47 C.F.R. § 54.408, as such standards are updated annually, including for service speed and data usage allowance. RCN's devices made available for purchase to eligible Lifeline broadband subscribers will all comply in technical ability with current requirements, as set forth in 47 C.F.R. § 54.408(f)(1). Because RCN seeks LBP designation to provide supported services only under subpart E of Part 54 of the Commission's Rules, submission of a five-year plan under 47 C.F.R. § 54.202(a)(1)(ii) is not required.

Moreover, RCN understands that as an LBP it will be subject to Lifeline program rules, including rules regarding subscriber eligibility verification, certification, and recordkeeping, as well as auditing requirements; RCN agrees to comply with all such applicable rules. RCN is already equipped to comply with Lifeline regulations. As part of certifying and verifying consumer eligibility in accordance with Commission rules, RCN will check applicants against the National Lifeline Accountability Database ("NLAD") prior to initiating service and will utilize the National Lifeline Eligibility Verifier, once available. RCN will also comply with the annual certification and reporting requirements in addition to the Commission's measures to prevent waste, fraud, and abuse of Lifeline services. Because RCN is responsible for the actions of all of its personnel—whether employees or agents—an RCN employee is responsible for

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<sup>&</sup>lt;sup>3</sup> See *Lifeline Modernization order* ¶ 364.

overseeing and finalizing every Lifeline enrollment prior to including that customer on an FCC Form 497 for reimbursement, RCN always deals directly with its customers to certify and verify customers' Lifeline eligibility.

#### E. RCN is Able to Remain Functional in Emergency Situations

In accordance with 47 C.F.R. § 54.202(a)(2), RCN certifies that it meets the requirements to remain functional in emergency situations. Back-up power is provided to all RCN hub sites by use of a fixed generator and batteries that provide 8 hours of emergency power. RCN has made arrangements for emergency refueling, and has contingency plans in the event that fuel trucks are unable to reach the sites. In addition, RCN's field electronics have 4 hours of battery back-up power extended by use of fixed or mobile generators. RCN also has ROADM technology deployed in its core fiber optic network that is self-healing and will automatically reroute traffic should a fiber cut occur. Lastly, RCN is prepared and capable of managing traffic spikes resulting from emergency situations. Technical staff from Mashell Telecom with many years of experience in these matters are available to be sure RCN meets these standards.

#### F. RCN Wil Satisfy Consumer Protection and Service Quality Standards

In accordance with 47C.F.R. § 54.202(a)(3), RCN commits to satisfying applicable state and federal requirements related to consumer protection and service quality standards to ensure it offers its subscribers with the highest level of protection and quality service.

#### G. RCN is Financially and Technically Capable

RCN is financially and technically capable of providing Lifeline-supported services in accordance with 47 C.F.R. § 54.202(a)(4). RCN is a newly formed, wholly owned and operated subsidiary of Mashell, Inc., who has been in business for over 100 years and provides service to both Lifeline and non-Lifeline customers through another wholly owned and operated subsidiary

(Mashell Telecom). RCN is financially able to provide Lifeline-supported services and will not rely exclusively on USF disbursements to operate. RCN is self-reliant and receives non-USF revenue from its non-Lifeline cable television service and Internet access service. RCN has access to a line of credit as well as private investors. In the event that USAC ceases disbursements for a period of time, RCN will still be able to provide service to its customers. RCN will continue to rely on its successful business model and service offerings to sustain and grow its business, independent of the USF disbursements that provide discounts for qualifying Lifeline subscribers. Furthermore, the senior management of RCN has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to RCN. RCN's core management team includes seven senior executives with a combined 90 + years of experience.

#### H. RCN's Proposed Broadband Internet Access Service Plans

Upon designation as an LBP, and once Lifeline broadband support becomes effective, RCN certifies that it will advertise and provide Lifeline rate plans that meet applicable minimum service requirements for broadband set forth in 47 C.F.R. §54.408(b)(1).

RCN will initially provide Lifeline customers the following Lifeline plan:

<u>Lifeline Fixed Broadband Plan</u> – RCN will initially offer eligible Lifeline subscribers with unlimited gigabytes of fixed broadband data usage per month at speeds of thirty (30) Megabits per second downstream and ten (10) Megabit per second upstream. After the application of Lifeline discounts, the net cost of this plan to Lifeline subscribers is \$0.00 per month.

# IV. DISIGNATION OF RAINIER CONNECT NORTH LLC AS AN LBP WOULD PROMOTE THE PUBLIC INTEREST

Whether because of financial constraints, poor credit, or sporadic employment, low-income consumers often lack access to the benefits of broadband service. The FCC recently called the Internet "today's vital communications network...the most powerful and pervasive platform in our Nation's history."<sup>4</sup> The Commission noted that, "Only half of all households in the lowest income tier subscribe to a broadband service and 43 percent [43%] say the biggest reason for not subscribing is the cost of the service."<sup>5</sup>

Designation of RCN as an LBP would allow RCN to provide discounted, lifeline-supported broadband service to these low-income consumers, providing them with a way to obtain broadband Internet access at affordable costs. This promotes the public interest by making broadband service more affordable and therefore more accessible for low-income consumers. Providing RCN with the authority necessary to offer discounted broadband Lifeline service to those otherwise unable to afford broadband service promotes the public interest.

#### V. ANTI-DRUG ABUSE CERTIFICATION

RCN certifies that no party to this Petition is subject to denial of federal benefits, including FCC benefits, pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

#### VI. CONCUSION

As discussed above, designation of Rainier Connect North, LLC as an LBP accords with the requirements of Section 214(e)(6) of the Act and is in the public interest. For all of the

<sup>&</sup>lt;sup>4</sup> See *Lifeline Modernization Order* ¶ 1.

<sup>&</sup>lt;sup>5</sup> See *Lifeline Modernization Order* ¶ 2.

foregoing reasons, RCN respectfully requests that the Commission designate RCN as an LBP.

Respectfully submitted,

/s/ DANIELLE CLAUSEN

Danielle Clausen Controller Rainier Connect North, LLC

September 9, 2019

#### **EXHIBIT 1**

#### **Affidavit Containing Certification of Company Officer**

I, BRIAN HAYNES being of lawful age, state that I am PRESIDENT/CEO of RAINIER CONNECT NORTH, LLC., ("Company"), that I am authorized to execute this Affidavit on behalf of the Company, and that the facts set forth in this Affidavit are true to the best of my knowledge, information and belief. On this basis, I hereby state under penalty of perjury to the Federal Communications Commission, as follows:

- (1) I have read the foregoing Petition and confirm the information contained therein to be true and correct to the best of my knowledge.
- (2) The Petitioner certifies that it will comply with the service requirements applicable to the support that it receives.
- (3) The Petitioner certifies that it will advertise and provide Lifeline rate plans that meet applicable minimum service requirements for broadband set forth in 47 C.F.R. § 54.408(b)(1).
- (4) To the best of my knowledge, the Petitioner, including all officers, directors, or persons holding five percent or more of the outstanding stock or shares (voting or non-voting) are not subject to denial of federal benefits, including Federal Communications Commission ("FCC") benefits, pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

I certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

Dated this 9<sup>th</sup> day of August, 2019, at 2516 Holgate Street, Tacoma, WA 98402.

Company: Rainier Connect North, LLC

By:

Brian Haynes Rainier Connect North, LLC President and Chief Executive Officer

### **EXHIBIT 2**

**Coverage Area Map** 

## **EXHIBIT 2 (CONTINUED)**

## Coverage Area – Washington Zip Code List

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98406
98465
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98467
98497
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